

Wednesday, 18 April 2018

DOMESTIC MARKET ACTIVITY AS ON 18-04-2018

Currency Pairs	Open Interest	% Chg	Total Trade Volume	% Chg	No of Contracts Traded	% Chg
USDINR	2271122	+11.76	15696.79	+49.99	2388458	+49.58
EURINR	171861	+2.47	685.71	+1.99	84173	+1.35
GBPINR	137380	-1.50	1070.43	+20.77	113588	+19.93
JPYINR	26614	+1.72	189.11	+1.19	30798	+0.77

CURRENCY UPDATES

- DOLLAR INDEX-** The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, edged up to 89.20 by 06:09 AM ET (10:09 AM GMT), from an overnight low of 89.08. The dollar had drifted lower earlier as risk appetite improved amid relief after U.S.-led missile strikes on Syria over the weekend did not lead to an escalation into a broader conflict. But geopolitical tensions remained in focus amid lingering concerns over a simmering U.S. - China trade spat. The dollar had come under pressure on Monday after U.S. President Donald Trump accused Russia and China of devaluing their currencies in a Twitter post. The tweet came after the U.S. Treasury Department published its semi-annual report on currencies on Friday and declined to name China as a currency manipulator. China's foreign ministry said on Tuesday that information coming out of U.S. regarding the Chinese currency is "a bit chaotic".
- GBP/USD-** The pound pulled back from 22-month highs against the dollar on Tuesday after the latest UK employment report showed that wage growth missed estimates, but a cost of living squeeze is still easing. GBP/USD was trading at 1.4331 by 04:58 AM ET (08:58 AM GMT), after rising as high as 1.4377 earlier, the strongest level since the June 2016 Brexit vote. The Office for National Statistics reported that average earnings, excluding bonuses, rose by an annualized 2.8% in the three months to February, outstripping annual inflation which dipped to 2.7% in February. It was the first time in around a year that wages rose at a faster pace than inflation. Earnings including bonuses also rose by 2.8% in the three months to February, missing forecasts for 3.0%, but still just above February's inflation rate. Indications that inflationary pressures are picking up increase the chances for a rate hike by the Bank of England next month. The report also showed that Britain's unemployment rate fell to a new 42-year low of 4.2%. The UK is to release the March inflation report on Wednesday and a data on retail sales on Thursday, which will be closely watched as traders brace for a BoE rate hike in May.

TECHNICAL LEVELS

Currency Pairs	Fut. Closed	% Chg	S2	S1	Pivot	R1	R2
USD-INR	65.70	0.21	65.36	65.53	65.64	65.81	65.93
EUR-INR	81.31	0.29	80.82	81.06	81.31	81.56	81.81
GBP-INR	94.19	0.46	93.57	93.88	94.16	94.47	94.75
JPY-INR	61.39	0.37	61.02	61.20	61.34	61.52	61.66

CURRENCY IN FOCUS

JPY-INR (Apr.)



Technical Strategy: Sell JPY-INR Apr below 61.30 with SL above 61.50 TP- 61.05/60.85.

Major Economic Data and Events Schedule For 18-04-2018

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
2:00pm	GBP	CPI y/y	2.7%	2.7%	Low

Impact - High Medium Low

Note: Economic data expectations are based on median forecast by economists or Reuters and Bloomberg survey. Here positive impact indicates currency could appreciate and negative indicates currency could depreciate in comparison with US Dollar.

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